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C O R R E C T E D C O P Y - SUBJECT SPELLING CORRECTION

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E.O. 12958: N/A

TAGS: OVIP PGOV PREL HA

SUBJECT: SCENESETTER FOR LT. GENERAL KEEN, JANUARY 12 VISIT TO HAITI

11. (SBU) Summary: Your visit comes at an important point in Haiti's democratic development. President Rene Preval and his Prime Minister, Jean-Max Bellerive, are working hard to meet the basic needs of the population and conduct the next round of elections, including for a new president in November. Donor conferences held last year in Washington, D.C., and periodic visits from UN Special Envoy to Haiti, former U.S. President William Clinton have kept Haiti in the international spotlight. The United States is Haiti's major donor. There is a major ongoing review of US assistance programs in Haiti which will produce an interagency strategy for assistance for FY-10 and beyond. Electoral tensions and student demonstrations have added an element of uncertainty to Haiti's political and security environment, although kidnappings have markedly decreased. The last two rounds of national elections April - June 2009 to fill 12 vacant seats in the Parliament's 30-seat Senate saw low voter turnout and isolated incidents of violence, but improved security and organization. Parliamentary elections are scheduled for February. We expect the elections to be relatively free and fair (by Haitian standards) though actions of the Electoral Council are generating controversy among opposition parties that believe President Preval's political movement "Inite" is being unfairly advantaged. End summary.

RIOTS,	FLOODS	ENDANGER	YEARS	OF	PROGRESS
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12. (SBU) Haiti is the hemisphere's poorest and one of its most politically unstable countries. After the collapse of the Duvalier dictatorship in 1986, Haiti experienced a succession of military regimes and popularly-elected governments, interspersed with coups d'etat, and the departure of an elected President in the midst of an armed rebellion which left Haiti's democratic institutions and processes in a shambles. Even democratically elected leaders sometimes resorted to political violence or failed to hold constitutionally mandated elections. All these factors have exacerbated political instability and scared off much-needed economic investment. Two years after the departure of President Jean-Bertrand Aristide in 2004, the presidential and legislative elections of 2006 gave Haiti a new chance to consolidate political stability and stimulate investment and economic growth. With the over 7,000 soldiers and 2,000 police of UN Stabilization Mission in Haiti (MINUSTAH) guaranteeing the peace since 2004, gang activity and other violent crime has diminished considerably.

13. (SBU) However, rioting in April 2008, caused in part by rising food and energy prices, brought political progress to a halt.

While there was genuine social grievance behind the April protests, much of the associated violence was organized by political forces seeking to capitalize on the resulting instability to oust then-PM Jacques-Edouard Alexis. In the five months following the dismissal of Alexis and his cabinet, the Haitian government was paralyzed by political gridlock. Parliament rejected two candidates for Prime Minister on specious grounds. After Preval nominated his third candidate, Michele Pierre-Louis, Haiti was hit by a series of hurricanes and tropical storms in August and September. The resulting flooding killed almost 800 people; displaced or otherwise affected hundreds of thousands more, crippled the country's transportation infrastructure, devastated livestock and crops, and caused nearly USD 1 billion in damage. In the face of strong public pressure to confirm a government able to respond to the hurricane damage, Parliament confirmed Pierre-Louis on September 5, 12008. Pierre-Louis was removed from office in October, 2009 in a move that was largely interpreted as a falling out with President Preval. Her replacement, Minister of Planning Jean Max Bellerive, is a capable technocrat close to the President.

STAGNANT ECONOMY SUFFERED A BLOW IN 2008, RECOVERS SOME IN 2009

 $\P4$. (SBU) The hurricanes and resulting flooding cast a spotlight on Haiti's already dire economic situation. Roughly 70 percent of the Haitian population lives on less than two dollars per day, and at

least 60 percent are unemployed or underemployed. Continuing security challenges, inadequate infrastructure, and an inhospitable business climate deter investment in Haiti today. The 2008 storms reduced that year's growth rate to 1.3 percent, less than the 2.5 percent population growth rate. We have encouraged President Preval and the Government to help Haitian and foreign investors take maximum advantage of the second Haiti Opportunity Through Partnership Encouragement Act (HOPE II), a trade preference bill that allows many types of textiles manufactured in Haiti duty-free access to U.S. markets. That program thus far has created about 11,000 jobs. Despite the difficult international economic climate, we believe Haiti's economy grew in 2009.

RENEWED	INTERNATIONAL	INTEREST	IN	HAITI	

15. (SBU) The food riots and hurricane damage of 2008 led the United States and Haiti's other international donors to redouble their efforts to achieve progress on food security and economic growth initiatives. Recent visits by UN Secretary-General Ban Ki-moon and former President Bill Clinton, the 15 UN Security Council Permanent Representatives, and Secretary of State Hillary Rodham Clinton have drawn international attention to Haiti's plight. In addition, Secretary Clinton announced significant pledges of new assistance at an April 14, 2009 donor conference in Washington, including USD 20 million to create short-term jobs, USD 20 million more for debt relief, and USD 15 million in emergency food aid.

CONTROVERSY			

16. (SBU) In preparation for legislative and presidential elections in 2010, a new Provisional Electoral Council (CEP) was sworn in on

October 22, 2009. President Preval named the council members with no input from the opposition parties, creating the specter of a manipulated election process. When the CEP excluded Lavalas and a number of other important opposition parties from the election on technical grounds, opposition groups cried foul, but were unable to mount the kind of opposition in the streets that in past years has characterized the confrontation between the opposition and the government. Under pressure from the international community, the CEP excluded a number of candidates who engaged in violence in previous elections and let Lavalas and other excluded party candidates run under the banner of non-proscribed parties. This has done little, however, to assuage the distrust the opposition parties have for the CEP and could lead to continued confrontation and questioning of the election results.

$_{ m THE}$	ASSISTANCE	PICTURE:	RULE	OF	LAW/GOVERNANCE	

17. (U) The United States provided over USD 287 million in non-emergency assistance to Haiti in 2009. Our programs in Haiti -- financed by USAID, CDC, the Department of Defense, and the State Department's Bureau of International Narcotics and Law Enforcement Affairs (INL/NAS) -- seek to implement reforms, build public institutions, improve law enforcement and corrections capability, and help deliver basic services. Rule of Law programs target Haiti's justice system by helping increase judicial authorities' administrative, management and technical capacity. Good Governance programs provided technical assistance and training to Haiti's Parliament in the areas of legislative drafting, legal and judicial reform, and rules of procedure. Programs aimed at conflict mitigation address poverty and gang-related violence through creation of short- and long-term employment and transfer of job skills through labor-intensive reconstruction of social and productive infrastructure. Another program targets the Provisional Electoral Council to help it solidify its organization and

modernize the voter registration process. Civil society programs assisted a variety of local media, regional journalist associations, and public service associations, including those that monitor corruption.

18. (U) The steep rise in food prices in 2008 followed by the four hurricanes sharply exacerbated Haiti's chronic food insecurity, however the more than 3 million Haitians defined as "food insecure" dropped to 1.8 million in the latest estimates, as agricultural assistance programs bear fruit. In 2008, USAID contributed USD 45 million in emergency food aid and another USD 14 million for post-hurricane recovery. USAID is continuing its programs to build disaster early warning, response and mitigation capacity. In November 2008 ground was broken for a SouthCom-funded Emergency Operations Center for Haiti's disaster response agencies. Following the hurricanes, Congress appropriated an additional USD 96 million over three years for the restoration of public services, repairs to public use infrastructure, provision of income-generating activities, asset restoration, and support to affected families. The USS Kearsarge also assisted immediately after the storms, diverting from Colombia to Haiti on short notice and a cost of approximately \$10 million.

HEALTH AND EDUCATION/ECONOMIC GROWTH

19. (U) Basic health programs funded by the USG help increase access to essential health services in 72 public sector clinics and 80 NGO clinics. Nearly 50 percent of Haiti's population receives at least some health services financed by the USG. Social assistance programs support Haiti's most vulnerable citizens. Economic growth programs targeted trade and investment, financial sector programs for small and medium enterprises, and programs for agricultural productivity and marketing. Reducing environmental degradation is the goal of USD 25 million in programs that focus on restoring watersheds to thwart periodic flooding.

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110. (U) Haiti has the highest rate of HIV/AIDS infection in the Western Hemisphere. The President's Emergency Plan for AIDS Relief (PEPFAR) provided just short of USD 100 million in FY 2009 to prevent infections and place HIV-positive persons into treatment. Implemented by USAID and CDC, PEPFAR programs target HIV/AIDS and tuberculosis, but also benefit large parts of Haiti's health care system. The PEPFAR program in Haiti is the largest in the hemisphere.

POLICE	REFORM/CORRECTIONS	

111. (U) The U.S. is the lead donor in implementing the MINUSTAH/Haitian National Police (HNP) reform plan, which foresees building the HNP from its current strength of 9,000 to 14,000 officers by the end of 2011. In concert with MINUSTAH's mandate to enhance Haiti's border security, the U.S. Coast Guard provides training for the Haitian Coast Guard, financed by INL/NAS. The MLO also provides equipment and training for the Coast Guard using IMET and FMK. Facility renovations, additional boats, and a new operating base on the north coast were funded by INL/NAS in 2009. The U.S. made a commitment in 2007 to assist in improving the

conditions and respect for human rights in Haiti's prison system, and remains the lead donor to Haiti in this sector.